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82D CONGRESS, 2d Session } SENATE { REPORT No. 1751

AUTHORIZING THE LOAN OF TWO SUBMARINES TO THE GOVERNMENT OF THE NETHERLANDS

JUNE 13 (legislative day, JUNE 10), 1952.—Ordered to be printed

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Mr. LONG, from the Committee on Armed Services, submitted the following

REPORT

[To accompany S. 3337]

The Committee on Armed Services, having had under consideration a request to authorize the loan of two submarines to the Government of the Netherlands, report the following bill, S. 3337, to authorize the loan of two submarines to the Government of the Netherlands, and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of the bill is to authorize the loan to the Government of the Netherlands of two submarines from the United States Navy Reserve Fleet. The bill requires that prior to the delivery of the submarines an agreement be concluded with the Government of the Netherlands providing for the return of the submarines in substantially the same condition as when loaned, such return to be made upon the completion of the first two of four submarines to be constructed by such Government.

EXPLANATION OF THE BILL

Section 4 of Public Law 3 of the Eighty-second Congress, approved March 10, 1951, forbids the transfer of battleships, cruisers, carriers, destroyers, or submarines which have not been stricken from the Navy Register as provided by section 2 of the act of August 5, 1882, as amended. Vessels are stricken from the Navy Register under the act of August 5, 1882, as amended, only when they are determined to be "unfit for further service."

The Government of the Netherlands has requested the loan of the two submarines from the United States in order to improve the state of training of Netherlands antisubmarine warfare vessels and to maintain the proficiency of Netherlands submarine personnel pending the

completion of the first two submarines included in their building program. It is estimated that the first two new Netherlands submarines will be in operation by 1956.

The Netherlands Government now has in service four ex-T-class British submarines and three O-class Netherlands submarines. The submarines of the latter class are in poor material condition, and those of both classes are obsolete.

COST DATA

No additional appropriations will be required in connection with the activation and modernization of these two submarines. The cost for activating and converting each submarine is estimated at $2,450,000. This will include the cost of providing snorkel, streamlining, and ordnance material. Money will be allocated for this purpose from appropriated Mutual Security Act funds.

Upon the termination of the loan of these submarines to the Government of the Netherlands, the United States Navy will receive the benefit of their modernization inasmuch as they will be comparable to submarines which have been modernized by the Navy during the past year. The enactment of the bill would thus seem to result in a direct benefit to the United States Navy at no additional expense to the United States. This is in addition to the benefits to be derived from the strengthening of the Navy of a country which is a party to the North Atlantic Treaty.

RECOMMENDATION OF THE DEFENSE DEPARTMENT

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., May 13, 1952.

Hon. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services,
United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation to authorize the loan of two submarines to the Government of the Netherlands.

This proposal is a part of the Department of Defense legislative program for 1952. The Bureau of the Budget advises that there would be no objection to the presentation of the subject proposal for the consideration of the Congress. The Department of Defense recommends that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to authorize the President to lend to the Government of the Netherlands two submarines pending completion of the first two of four submarines to be constructed by that Government. The bill would require that, prior to delivery of the submarines, an agreement be concluded with the Government of the Netherlands providing for the return of the submarines in accordance with the provisions of the bill and in substantially the same condition as when loaned.

The Netherlands Government now has in service four ex-T-class British submarines and three O-class Netherlands submarines, but the submarines of the latter class are in poor material condition owing to much service and those of both classes are obsolescent. The Netherlands building program will provide for the completion of four submarines by about 1955, and in order to maintain the proficiency of Netherlands submarine personnel pending completion of this program, that Government has requested a loan of two modern submarines from the United States.

COST AND BUDGET DATA

It is estimated that the cost of activating and converting each submarine will be $2,450,000. Of this amount, $2,000,000 is the cost of providing snorkel,

streamlining, and on-board spares, and $450,000 is the cost of providing ordnance alterations and material, including 29 torpedoes, 5 of which are spares. These estimated costs, however, are not in addition to budgeted funds, but are to be allocated for this purpose from appropriated Mutual Security Act funds by reprograming items as necessary to cover required costs.

DEPARTMENT OF DEFENSE ACTION AGENCY

The Department of the Navy has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

(Signed) ROGER KENT,
General Counsel
(For Charles A. Coolidge).

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